

HOUSE BILL 1816

By Miller L

AN ACT to amend Tennessee Code Annotated, Title 4, Chapter 3, Part 7 and Title 9, Chapter 4, relative to economic development.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 4, Chapter 3, Part 7, is amended by adding the following language as a new section:

4-3-737.

(a) The Tennessee municipal government economic development and opportunity grant fund, referred to as the “opportunity fund”, is established as a separate account in the general fund.

(b) The opportunity fund is composed of:

(1) Funds appropriated by the general assembly for the opportunity fund;

and

(2) Gifts, grants and other donations received by the department of economic and community development for the opportunity fund.

(c) Money in the opportunity fund may be used by the department of economic and community development for program administration, marketing expenses and program evaluation; however, such expenses shall not exceed five percent (5%) of the total amount appropriated for the program in any fiscal year.

(d) Amounts in the fund at the end of any fiscal year shall not revert to the general fund but shall remain available to the department for the purposes set forth in this section.

(e) Moneys in the opportunity fund shall be invested by the state treasurer pursuant to title 9, chapter 4, part 6, for the sole benefit of the opportunity fund, and interest accruing on investments and deposits of such fund shall be returned to such fund and remain part of the opportunity fund.

(f)

(1) Moneys in the opportunity fund shall be allocated to municipalities with established economic development funds for the purpose of supporting municipal funding of general capital improvements and small business capital needs. Grants from the opportunity fund shall be awarded annually, on a competitive basis subject to the availability of funding for such purpose.

(2) It is the intent of the general assembly that, to the extent practicable, money from the Tennessee municipal government economic development and opportunity grant fund be allocated to municipalities in all areas of the state.

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring it.